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SIPDIS

DOL FOR BLS AND ILAB
TREASURY FOR IMI
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SUBJECT: EU-25 UNEMPLOYMENT DOWN TO 9.0 PERCENT

1. SUMMARY. The aggregate unemployment rate for the EU-25 stood at 9.0 in July 2004, down 0.1 percentage point from the previous month, according to data published by the EU Commission's Statistical Office (EUROSTAT) on September 1. The unemployment rate for the euro zone (the twelve EU countries participating in the euro) was stable, also at 9.0 percent in July 2004. Without the 10 new members, the EU-15 unemployment rate was also stable at 8.1 percent. END SUMMARY.

2. With seasonal adjustment and compensation for differences in national statistical methods, the EU-25 rate stood at 9.0 percent in July 2004, down from 9.1 percent in June 2004 and the four previous months as well as July 2003. The unemployment rate for the euro zone also stood at 9.0 percent in July 2004, unchanged in comparison with June 2004. The euro-zone rate was 8.9 percent in July 2003.

3. The lowest rates among the EU-25 (July 2004 rates unless otherwise indicated) were recorded in Austria (4.2 percent), Luxembourg (4.3 percent), Ireland, Cyprus (4.5 percent in both countries), and the UK (4.7 percent in May 2004). Poland (18.8 percent), Slovakia (15.9 percent), Lithuania (11.3 percent) and Spain (11.0 percent) recorded the highest rates among the EU-25.

4. EUROSTAT noted that eleven Member States showed an increase in their unemployment rate over the past twelve months, eleven a decrease and three recorded no change. The most significant increases in unemployment rates (July 2003-to-July 2004 comparison unless otherwise noted) were recorded in the Netherlands (from 3.8 percent in June 2003 to 4.8 percent in June 2004), Sweden (from 5.6 percent to 6.4 percent), Luxembourg (from 3.8 percent to 4.3 percent), and the Czech Republic (from 7.9 percent to 8.8 percent). By contrast, the largest decreases occurred in Estonia (from 10.3 percent to 8.8 percent), Lithuania (from 12.6 percent to 11.3 percent), and Slovakia (from 17.0 percent to 15.9 percent).

5. Based on EUROSTAT estimates, male unemployment reached 8.3 percent in July 2004 for the EU-25 and 8.0 percent for the euro zone, respectively unchanged and up from 7.9 percent when compared to July 2003. The female rate was stable over the same period at 10.0 percent for the EU-25 and up from 10.2 percent to 10.3 percent for the euro zone.

6. Unemployment rates among young people under 25 in July 2004 ranged from 6.9 percent in Austria to 39.1 percent in Poland. The rate for this age group in July 2004 was estimated at 18.0 percent for the EU-25 and 17.4 percent for the euro zone, compared to 18.5 percent (down 0.5 percentage point) and 17.2 percent (up 0.2 percentage point) respectively in July 2003.

7. EUROSTAT estimated that 19.3 million were unemployed in the EU-25 in July 2004 (12.7 million in the euro zone). Following is the breakdown of unemployment rates in ascending order for the individual EU Member States:

(Seasonally-adjusted)
(July 2004 unless otherwise indicated)

Austria	4.2
Luxembourg	4.3
Ireland	4.5
Cyprus	4.5
UK	4.7 (May 2004)
Netherlands	4.8 (June 2004)
Denmark	5.9
Hungary	5.9
Slovenia	6.2
Portugal	6.4

Sweden	6.4	
Italy	8.5	(January 2004)
Belgium	8.6	
Malta	8.7	
Czech Republic	8.8	
Estonia	8.8	
Finland	9.0	
Greece	9.3	(December 2003)
France	9.5	
Germany	9.9	
Latvia	10.6	
Spain	11.0	
Lithuania	11.3	
Slovakia	15.9	
Poland	18.8	
Euro zone	9.0	
EU-15	8.1	
EU-25	9.0	

18. The monthly rates and numbers of unemployed are estimated and based on data from the annual EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

- Are without work;
- Are available to start work within the next two weeks; and
- Have actively sought employment at some time during the previous four weeks.

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